GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4998
ANSWERED ON:29.04.2008
MINIMUM EXPORT PRICE FOR BASMATI AND NON BASMATI RICE
Chinta Mohan Dr. ;Singh Shri Suraj

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether in October, 2007 the Government had announced a system of declaring minimum export price for the export of basmati and non-basmati rice;

(b) if so, the details alongwith the basis on which the price was fixed thereof;

(c) whether the price fixed was lesser than the prevailing price of rice in the international market; and

(d) if so, the details and the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a&b) With a view to ensure domestic availability of rice for the masses, export of non-basmati rice was allowed with a minimum export price (MEP) of US$ 425 PMT vide DGFT's Notification No. 45 dated 31.10.2007. This was later revised to US$ 1000 or Rs. 40000 PMT before finally banning export of non-basmati rice vide Notification No. 93 dated 01.04.2008.Similarly, MEP for export of basmati rice was fixed to US$ 900 vide Notification No. 82 dated 05.03.2008, which has been finally revised to US$ 1200 or Rs. 48000 PMT vide Notification No. 93 dated 01.04.2008.

(c&d) No, Sir.As regards basmati rice, the international prices are governed by Indian prices, since out of India and Pakistan, the only two producers & suppliers of this commodity, India has major share in production and exports. Whereas, the range of international prices for non-basmati rice during December 2007 to February 2008 is indicated below:

Month Price Range US$ PMT FOB

December 2007 321 to 618

January 2008 349 to 660

February 2008 425 to 748

(Source: Rice India − Journal of All India Rice Exporters' Association)